

Old Age, Disability, Death

First and current law: 1963.

Type of program: Social insurance system (lump-sum benefits only).

Exchange rate: U.S.\$1.00 equals 1,655 pounds.

Coverage

Employees in industry, commerce, and agriculture.

Exclusions: Temporary agricultural employees; employees who elected in 1965 to continue coverage for special benefits under labor code; and aliens from countries not providing reciprocity.

Special system for public employees and teachers.

Source of Funds

Insured person: None.

Employer: 8-1/2% of payroll.

Government: None.

Qualifying Conditions

Old-age benefit: Age 64; at any age after 20 years of employment; or if woman marries and leaves employment during the first year of marriage. Reduced benefit at any age if 5-19 years of employment and leaving employment permanently before qualifying. Retirement necessary.

Disability benefit: Loss of at least 50% of normal working capacity.

Survivor benefit: Deceased had some periods of insurance under program.

Old-Age Benefits

Old-age benefit: Lump sum equal to final month's earnings (or average monthly earnings during last 12 months, if higher) times years of service up to 20 years, plus 1-1/2 months' earnings per year of service beyond 20 years or 64 years of age. (For calculation of benefit, worker credited with up to 20 years for service before 1963.) Benefit reduced by 50% for 1-5 years' contributions, 35% for 5-10 years, 25% for 10-15 years, 15% for 15-20 years.

Permanent Disability Benefits

Disability benefit: Lump sum equal to final month's earnings times years of service. Minimum benefit: 20 months' earnings.

Survivor Benefits

Survivor benefit: Lump sum equal to final month's earnings times years of service. Minimum benefit: 6 months' earnings.

Widow (or widower aged 60 or over, or disabled) receive 50% of the benefit; the remainder is divided equally between children under age 16 (25 if student, any age if disabled), or parents aged 60 or over, or disabled; or, if none of the above survive, the benefit is paid to dependent brothers and sisters under age 16.

Funeral grant: 150% of minimum wage.

Administrative Organization

Ministry of Labor, general supervision.

National Social Security Fund, administration of program through its district offices; managed by tripartite board and director-general.

Sickness and Maternity

First and current law: 1963.

Type of program: Social insurance system. Cash and medical benefits.

Coverage

Employees in industry, commerce, and agriculture, and teachers. Public employees and university students also covered for medical benefits. Taxi drivers and weekly and daily newspaper sellers also covered for medical benefits. Exclusions: Temporary agricultural employees and aliens from countries not providing reciprocity.

Source of Funds

Insured person: 3% of earnings.

Employer: 12% of payroll.

Government: About 25% of cost of benefits.

Maximum earnings for contribution purposes: 3 times minimum wage (118,000 pounds).

Qualifying Conditions

Cash sickness benefits: 3 months of insurance during last 6 months.

Cash maternity benefits: 10 months of insurance immediately prior to confinement.

Medical benefits: Currently covered.

Sickness and Maternity Benefits

Sickness benefit: Employer pays 100% of earnings from 1st through 15th day of illness; 50% of earnings for an additional 15 days if worker has from 3 months' to 2 years' service.

If 2 to 4 years' service, employer pays 100% of earnings during first 30 days, 50% of earnings for an additional 30 days.

If 4 to 10 years' service, employer pays, according to a graduated scale, up to 100% of earnings for up to 2-1/2 months, 50% of earnings up to an additional 2-1/2 months.

Maternity benefit: Employer pays 100% of earnings during first 40 days.

Workers' Medical Benefits

Medical benefits: Cash refund of part of doctor bills (full refund for maternity care); service benefits provided by hospitals under contract with and paid directly by National Social Security Fund.

Includes general and specialist care, hospitalization, maternity care, medicines, and laboratory services. Patient normally pays doctor's bill, and is then reimbursed by Fund for 80% (90% of hospital care, and 100% for maternity care, kidney dialysis, and cancer treatment) of amount listed for the service in official fee schedule.

Duration: 26 weeks (or up to 52 weeks in special cases).

Dependents' Medical Benefits

Medical benefits for dependents: Same as for insured worker.

Funeral grant: 150% of minimum wage.

Administrative Organization

Ministry of Labor, general supervision.

National Social Security Fund, administration of program.

Work Injury

First and current law: 1943 (amended in 1983).
Type of program: Employer liability system.

Coverage

All wage earners covered by an employment contract.

Source of Funds

Insured person: None.

Employer: Whole cost.

Government: None.

Earnings for contribution and benefit purposes subject to a ceiling.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 75% of worker's daily wage.

Payable from day after accident for up to 9 months.

Permanent Disability Benefits

Permanent disability benefit: If totally disabled, lump sum equal to wages paid during previous 800 days if under age 35; 700 days' pay if aged 35-49; and 600 days' pay if aged 50 or over.

Partial disability: Compensation proportionate to loss of earning capacity.

Constant-attendance supplement, as fixed by regulation.

Workers' Medical Benefits

Medical benefits: Same as for ordinary illness, plus appliances.

Patient not required to share in cost of doctor's services.

Survivor Benefits

Survivor pension: Up to 500 days' pay of deceased (however, including only 1/4 of amount exceeding the minimum wage, and 1/8 of amount exceeding twice the minimum wage).

Widow, aged or disabled widower, children under age 16 (25 if student or disabled), aged or disabled parents, and dependent brothers and sisters.

Funeral grant: 150% of minimum wage.

Administrative Organization

Ministry of Labor, general supervision.

National Social Security Fund, administration of contributions and benefits.

Source of Funds

Insured person: None.

Employer: 15% of payroll up to a ceiling of 3 times minimum wage, or 7% of payroll in case of small employers.

Government: None.

Maximum earnings for contribution purposes: 3 times minimum wage (118,000 pounds).

Qualifying Conditions

Family allowances: Up to 5 children covered. Child must be under age 16 (25 if student or unmarried unemployed daughter, no limit if disabled). Wife must not be gainfully employed.

Family Allowance Benefits

Family allowances: Maximum monthly allowance: 75% of minimum wage, (88,500 pounds) payable to wife (20%) and children (11% each for up to 5 children).

Administrative Organization

Ministry of Labor, general supervision.

National Social Security Fund, administration of allowances.

Contact—Alexander Estrin—202-282-7116

Family Allowances

First law: 1943.

Current law: 1963.

Type of program: Employment-related system.

Coverage

Employees and social insurance beneficiaries with non-working wife or with 1 to 5 children.